

United States Department of the Interior

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BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155 http://www.blm.gov

JAN 07 2010

IN REPLY REFER TO: 3504 U-0126940 (UT-923)

CERTIFIED MAIL - Return Receipt Requested

DECISION

American Gilsonite Company 29950 South Bonanza Highway Bonanza, UT 84008

Gilsonite Lease U-0126940

Bond Increase Required

American Gilsonite Company currently has on file with the Utah State Office of the Bureau of Land Management a personal lease bond and treasury note in the amount of \$58,000 to cover gilsonite lease U-0126940.

Regulations at 43 CFR 3504.60 allow for the amount of any bond to be increased/decreased when additional/less coverage is determined to be appropriate. The Utah State Office, in conjunction with the Vernal Field Office, is requiring that an additional bond for gilsonite lease U-0126940 be provided in the amount of \$20,000 based on the removal of equipment and present reclamation requirements for the B-46 Shaft on this Federal lease.

This bond amount may be provided by increasing the present bond or by submitting an entirely new bond for the required amount. Enclosed are forms for submitting a new surety bond or a new treasury note or cash in lieu of bond. If you do not agree with the bond amount, you must submit written justification to this office clarifying your position for a lesser bond amount.

A compliance period of 30 days from the receipt of this decision will be allowed to submit the above bond.

₃/ Roger L. Bankert

Roger L. Bankert Chief, Branch of Minerals

Enclosures

- 1. Surety Bond Form 3504-3
- 2. Personal Bond and Power of Attorney Form 3504-1

cc: State Division of Oil, Gas and Mining Green River District Office JAN 1 1 2010

DIV. OF OIL, GAS & MINING